

6/29/77

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 6/29/77;
Container 28

To See Complete Finding Aid:

<http://www.jimmycarterlibrary.gov/library/findingaids/Staff%20Secretary.pdf>

EXECUTIVE ORDER

- - - - -

TRANSFERRING CERTAIN BICENTENNIAL FUNCTIONS
TO THE SECRETARY OF THE INTERIOR

By virtue of the authority vested in me by Section 7(b) of the Act of December 11, 1973 (87 Stat. 701), hereinafter referred to as the Act, Section 202(b) of the Budget and Accounting Procedures Act of 1950 (64 Stat. 838, 31 U.S.C. 581c(b)), and Section 301 of Title 3 of the United States Code, and as President of the United States of America it is hereby ordered as follows:

Section 1. The Secretary of the Interior, hereinafter referred to as the Secretary, shall, through existing National Park Service programs, provide for the continuation of appropriate commemoration of events relating to the American Revolution until December 31, 1983.

Sec. 2. The Secretary shall administer existing contracts and grants of the American Revolution Bicentennial Administration, hereinafter referred to as ARBA.

Sec. 3. In performing the functions described in Section 1 and 2 of this Order, the Secretary may, in addition to any other available authority, exercise the following powers under the Act which are hereby transferred to him for such purposes until December 31, 1983, except as otherwise provided in subsection (b) of this Section:

(a) All powers described in Section 2(f) of the Act with respect to the expenditure of funds donated to ARBA prior to the effective date of this Order, and the expenditure of revenues received or which may be received pursuant to contracts described in Section 2 of this Order.

(b) Until December 31, 1977, all powers exercised by ARBA prior to the effective date of this Order which relate to enforcement of Section 2(i) of the Act.

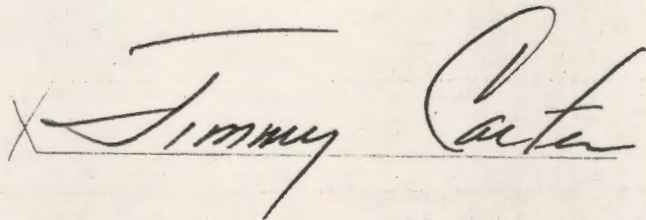
(c) All powers described in Section 5(a) of the Act.

Sec. 4. All personnel, records, property and appropriations, including all funds and revenues described in Section 3(a) of this Order, as relate to the powers and functions assigned or transferred by this Order are hereby transferred to the Secretary.

Sec. 5. The Director of the Office of Management and Budget shall make such determinations and issue such orders as may be necessary or appropriate to carry out the transfers provided by this Order.

Sec. 6. Executive Order No. 11840 of February 18, 1975, is hereby revoked.

Sec. 7. This Order shall be effective June 30, 1977.

X 

THE WHITE HOUSE,

The White House,

19

*To the
Senate of the United States.*

I nominate Louis A. Lerner, of Illinois, to be

Ambassador Extraordinary and Plenipotentiary of the United

States of America to Norway.

Jimmy Carter

EXECUTIVE ORDER

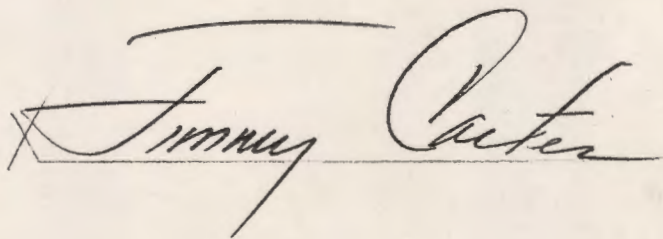
- - - - -

EXEMPTION OF ARTHUR S. FLEMMING
FROM MANDATORY RETIREMENT

Arthur S. Flemming, Commissioner on Aging, Department of Health, Education, and Welfare, and Chairman, Commission on Civil Rights, became subject to mandatory retirement for age on June 30, 1975, under the provisions of Section 8335 of Title 5 of the United States Code unless exempted by Executive order. Arthur S. Flemming was exempted from mandatory retirement until June 30, 1976, by Executive Order No. 11869 of June 24, 1975. He was again exempted from mandatory retirement until June 30, 1977, by Executive Order No. 11924 of June 29, 1976.

In my judgment, the public interest requires that Arthur S. Flemming continue to be exempted from such mandatory retirement.

NOW, THEREFORE, by virtue of the authority vested in me by subsection (c) of Section 8335 of Title 5 of the United States Code, I hereby exempt Arthur S. Flemming from mandatory retirement until June 30, 1978.

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned above a horizontal line.

THE WHITE HOUSE,

THE WHITE HOUSE
WASHINGTON

June 29, 1977

Bob Lipshutz -

For your information the attached
Executive Order was signed by
the President and given to Bob
Linder for appropriate handling.

Rick Hutcheson

Re: Transferring Certain Functions of
the American Revolution Bicentennial
Administration to Dept. of Interior

To be
logged

THE WHITE HOUSE
WASHINGTON

FM Escobar Fin Hurtado
Energy Hernández Tour (78) Arria (Tiki)
Int Econ Perez* Amb Iribarren UN Consalvi

us Amb Vaky
THE WHITE HOUSE
WASHINGTON

Meetings E
Perez of Venezuela
6/28-29/77

Veto
tact of Econ Zone

- > LOS - Pres - H. Seas - Deep mining
- > Jamaica 8 + 54 → IM 7 = Conservation
- > Panama Canal #35-50 mil
- > Tlatelolco - reprocessing - Br/Arg/Cuba
- > BELIZE
- > S. AFRICA = NAMIBIA
- > OPEC PRICES - ENERGY RESEARCH
- > H RIGHTS - ARGEN - VIDELA
- > CUBA
- > ANDY - CARIBBEAN
- > ANDEAN - ARMS - BOLIVIA → SEA
- > GEN SYS PREF - TRADE = "BAD"
- > N/S.
- > ECOSOC - International bribery
- > Non prolif. Fuel cycle
- > ED/CULTURAL - AYACUCHO
- > FRIENDSHIP FORCE E Nashville
- > Niehaus kidnapping

FM Escobar Fin Hurtado
Energy Hernández Tour (78) Arria (Tiki)
Int Econ Perez* Amb Iribarren UN Consalvi

US Amb Vaky
THE WHITE HOUSE

WASHINGTON

Veto text of Econ Jones

Meetings E
Perez of Venezuela
6/28-29/77

- > LOS - Pres - 14 Seas - Deep mining
- > Jamaica 8+54 → IM7 = Consalvi
- > Panama Canal \$35-50 mil
- > Tlatelolco - reprocessing - Br/Arg/Cuba
- > BELIZE
- > S. AFRICA = NAMIBIA
- > OPEC PRICES - ENERGY RESEARCH
- > H RIGHTS - ARGEN - VIDELA
- > CUBA
- > ANDY - CARIBBEAN
- > ANDEAN - ARMS - BOLIVIA → SEA
- > GEN SYS PREF - TRADE = "BAD"
- > N/S.
- > ECOSOC - International bribery
- > Non prolif. Fuel cycle
- > ED/CULTURAL - AYACUCHO
- > FRIENDSHIP FORCE E Nashville
- > Nichols kidnapping

THE WHITE HOUSE
WASHINGTON

CIEC - N/S. not failure
politics = policies
H Rg → Milgoite "transitory"

- > Food - health
- > Hi Commissioners - UN speech
Peru -
- > Argentine Videla → Δ
Chile - Pinochet ?? ↘
- > Brazil - Geisel → Δ: demo ↑
CELA could mag repress. plant
- > US ≠ integration of L.A.
- > Brazil dominance & integration
- > Carib. serious - too small -
fragmented → mafias or cubas
- > Jamaica key - Manley
Joint group - one program - Carib
- > OAS - World Bank - ? Carib Bank
- > Cuba - Communist stabilized there
USSR willing to pay - prisoners
Ven/Cuba relations restored.

THE WHITE HOUSE
WASHINGTON

- Pro to no give what is US
- > Terrorists in Miami - problem
Letcher killed by Cubans
 - > Belize - Guatemala - Pres that
control army
 - Peru/Chile = Peru econ bad
 - Bolivia → sea = US take land
 - > Giscard - Tlatelco
 - Argentina - " - effort
 - > ILO = US out = USSR/Arabs

THE WHITE HOUSE
WASHINGTON

"Colonialization of Sea" = oppose
200 mile econ zones
Aguilar - Richardson compromise
- Iran/Saudi A/Southern Africa
- Portugal
- Orinoco - R & D -
Dev - Hum Rt

Electrostatic Copy Made
for Preservation Purposes

Text of discourse

THE WHITE HOUSE
WASHINGTON

June 29, 1977

Frank Moore -

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

Re: Metcalfe & Russo

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 29, 1977

Frank J

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M.*

SUBJECT: Metcalfe and Russo

Metcalfe

I have had Ben Brown call Rev. Jesse Jackson. Jackson's people called Ralph Metcalfe. Metcalfe will vote with you.

did not

I am also having Atlanta headquarters call Metcalfe's Treasurer in Chicago and have asked them to give Metcalfe the benefit of the doubt regarding reimbursement for campaign expenses.

hold

Russo

Jim Schlesinger and I both talked to Russo this morning. Russo agreed not to offer his amendment to raise the price of gas to \$1.97 based on Jim's promise that he would have input into any compromise at a later stage in the legislative process.

Russo feels that he is in the dog house with the Carter Administration since clean air. He has sent messages through every conceivable channel that he must talk to you and be assured that he is back on board.

not done

I think we will get his vote this morning on deregulation. If you can call him this afternoon, it should lock him in for the rest of the votes.

or tomorrow

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

June 29, 1977

The Vice President
Jim King

For your information, the
attached nomination was signed
by the President and given to
Bob Linder for appropriate
handling.

Rick Hutcheson

Re: Louis A. Lerner as
Ambassador to Norway

86/29/47

THE WHITE HOUSE
WASHINGTON

June 29, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: JAMES B. KING *JBK*
SUBJECT: Presidential Appointment

Attached for your signature is the nomination document for Louis A. Lerner, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway vice William A. Anders, resigned.

Mr. Lerner is Publisher of Lerner Newspapers in Chicago, Illinois.

All necessary checks have been completed.

*V.P. may wish
to admin. oath
J*

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

June 29, 1977

Frank Moore -

The attached letter to Senator
Proxmire was signed by the President
and the original is forwarded to you
for delivery.

Rick Hutcheson

cc: Stu Eizenstat
Bob Linder
Bert Lance

Re: Renegotiation Program

copy to Stripping

THE WHITE HOUSE

WASHINGTON

June 23, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *SE*
SUBJECT: Renegotiation Program

Attached is a suggested reply to Senator Proxmire's letter to you of June 7, 1977 (Tab A) seeking the Administration's position on the renegotiation issue.

UN 29 1977

THE WHITE HOUSE

WASHINGTON

June 29, 1977

To Senator William Proxmire

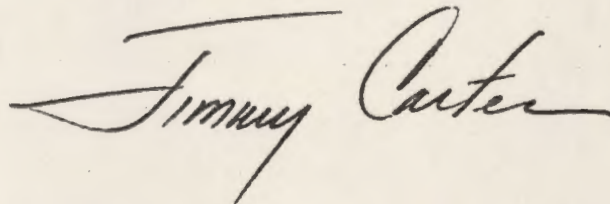
Thank you for your letter of June 7, asking for my views concerning S. 1594, your legislation to strengthen the Renegotiation Board.

As you know I am a strong supporter of the Renegotiation Program. I believe that your bill, which closely parallels the House bill introduced by Congressman Minnish, is a vital improvement in the renegotiation program. I support this legislation enthusiastically.

As I have indicated to members of the House, I favor requirements that companies renegotiate based on product line, and that they be required to file audits as part of the renegotiation process. I believe, however, that the Renegotiation Board should be given the flexibility to exempt companies from these requirements when the Board feels that their fulfillment would serve no useful public purpose.

I hope that this clarifies my views on S. 1594 and that you and the other members of the Senate will be able to move forward expeditiously with the passage of this vital legislation.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

The Honorable William Proxmire
United States Senate
Washington, D.C. 20515

WILLIAM PROXMIRE
WISCONSIN

United States Senate

WASHINGTON, D. C.

June 7, 1977

ack/drafting SE
14 JUN 1977

The Honorable Jimmy Carter
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

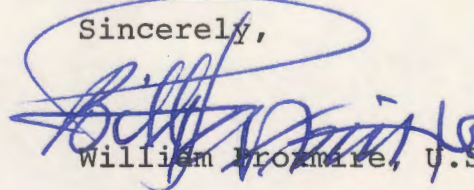
As you know, bills are pending in both the House and Senate to extend and strengthen the Renegotiation Act. My own bill, S. 1594, closely parallels the bill introduced in the House by Representative Minnish. A copy of my bill is enclosed.

Because there seems to be conflicting interpretations of the Administration's position with regard to the pending legislation, and as the Senate Banking Committee is about to begin its hearings, it would be most useful if you could state your views about the Minnish and Proxmire bills.

I realize that you made a strong statement in behalf of the Renegotiation Program in your inflation message to Congress. However, a direct communication to the Committee from you would resolve any lingering questions.

Your cooperation is most appreciated.

Sincerely,


William Proxmire, U.S.S.

WP/rke

THE WHITE HOUSE
WASHINGTON

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
X	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
X	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE

THE WHITE HOUSE
WASHINGTON

June 29, 1977

Hamilton Jordan -

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

Re: Alternate Executive Director at
the World Bank
William Dixon

9

THE WHITE HOUSE
WASHINGTON

June 29, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: *HJ* Hamilton Jordan
SUBJECT: Alternate Executive Director at
the World Bank

In the attached memorandum Mike Blumenthal recommends you appoint William Dixon as U. S. Alternate Executive Director at the World Bank.

Bill has strong support on the Hill, and obviously has the credentials for the job.

I recommend you approve Mike's suggested appointment.

APPROVE ✓

DISAPPROVE _____

OTHER _____

JC

Electrostatic Copy Made
for Preservation Purposes



THE SECRETARY OF THE TREASURY
WASHINGTON 20220

June 28, 1977

MEMORANDUM FOR THE PRESIDENT

Subject: U.S. Alternate Executive Director
at the World Bank

I recommend that you appoint William Dixon of Wisconsin as U.S. Alternate Executive Director at the World Bank.

Dixon has been Chief Counsel of the House Banking, Finance and Urban Affairs Committee for almost three years. In that position, he has played a major role in U.S. legislation governing the international financial institutions including the World Bank. He recently accompanied me to Guatemala to attend the annual meeting of the Board of Governors of the Inter-American Development Bank.

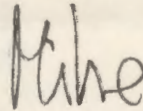
Chairman Henry Reuss of the House Committee has written you a strong letter of support for Dixon. So have several other members of Congress. Ex-members with whom we have checked also give Dixon very high marks.

Prior to entering Government, Dixon was in private banking for nine years with Marine Midland Trust. His combination of financial knowledge, expertise concerning the development banks, and Hill relationships provide an outstanding combination of talents for the position at the World Bank.

Our strongest alternative candidates are two career Treasury officials: One is Edgar Gordon, a senior development finance expert,

who would be substantively excellent. The other is Margaret Gonzalez, a younger (31 years old) Treasury economist, who has spent the last 5 years working on Bank issues - - including the last 18 months as our Technical Adviser at the Bank itself.

Recommendation: That you appoint William Dixon as U.S. Alternate Executive Director at the World Bank.

A handwritten signature in dark ink, appearing to read "Mike", is positioned above the typed name.

W. Michael Blumenthal

William P. Dixon

Office: 2129 Rayburn H.O.B.
Washington, D.C. 20515
Phone: 225-7057

Age: 33 years old
Married: Wilhelmina S. Dixon
Children: William J., 12
Michael S., 9
Meaghan P., 6

Home: 3628 Trinity Drive
Alexandria, Virginia 22304
Phone: 751-2977

Experience

January, 1975 - present. General Counsel and Deputy Staff Director, U.S. House of Representatives, Committee on Banking, Finance and Urban Affairs. In this position I have direct responsibility for all legal matters and legislation for the Committee and supervise six attorneys in this work. I also share administrative and policy matters with the Staff Director, covering the entire range of the Committee's jurisdiction, including supervision of 82 employees and responsibility for the Committee's budget which exceeds \$2.2 million annually. Attached is a listing of the Committee's complete jurisdiction.

I have played a major role this past Congress in legislation dealing with foreign banking, international multi-lateral development banks, supervision and reform of domestic financial institutions, and consumer protection. Additionally, I worked on legislation dealing with housing, aid to New York City, energy development, restructuring of the Federal Reserve System and other financial matters.

October, 1973 - January, 1975. Counsel, U.S. House of Representatives, Committee on the Judiciary. My initial responsibilities were as counsel to the Subcommittee on Courts, Civil Liberties and the Administration of Justice. I had primary responsibility for oversight, and legislation relating to the nation's courts, prisons, parole, wiretapping, amnesty, juries, and related matters.

Following the resignation of Vice President Agnew, I was in charge of the House investigation into the "private" background of Gerald Ford and supervised a staff of over 25 investigators, accountants, and researchers and reported directly to Chairman Rodino.

Immediately thereafter I was directed by Chairman Rodino to work on many different areas of the impeachment investigation of President Nixon and was one of the five attorneys who reported directly to the Chairman during the course of the investigation.

Following the appointment of Nelson Rockefeller as Vice President, I was in charge of the extensive investigation into his "private" and financial affairs, and directed the team of investigators, researchers and accountants during this period, and reported directly to Chairman Rodino.

November 1972 - October, 1973. Chief Counsel to Wisconsin Governor Patrick J. Lucey. In this position I was in charge of the Governor's legislative program and served as his sole liaison to the State Senate. I also handled appointments to the judiciary and district attorneys, as well as supervising attorneys who handled all pardons, and state contracts in excess of \$5,000. I served as the Governor's representative on the State Bond Board, State Claims Board, Governor's Committee on Economic Development, and the Council on Drug Abuse, and served as his liaison to the Attorney General, Council on Criminal Justice, State Banking Commissioner, Savings and Loan Commissioner, law enforcement agencies, and the Judiciary.

My legislative responsibilities included the supervision of drafting legislation, testifying on behalf of the Governor before the legislature, and working with the Democratic and Republican leadership for the enactment of bills relating to mass transit, court reorganization, environmental protection, no-fault insurance, a code of ethics for officials, criminal code reform, consumer protection measures, and countless other matters initiated by the Governor.

I also approved all office correspondence relating to legal matters, legislation, executive orders, judicial appointments, contacts with State Senators, and correctional and law enforcement matters. I advised the Governor on legal, legislative, budgetary, political and policy matters.

May, 1970 - November, 1972. Associate Attorney, Foley and Lardner law firm, Milwaukee, Wisconsin. As an associate in this law firm of 135 attorneys, I worked primarily on banking, financial, and other corporate matters and

specialized in federal banking legislation and regulation, and consumer protection legislation. I was a member of a five-member team which wrote and lobbied successfully for the adoption of the Wisconsin Consumer Protection Act in 1972 which was the nation's most comprehensive consumer law at that time.

I have also represented clients before the Federal courts and all levels of the Wisconsin state court system on matters ranging from Selective Service violations to murder.

1961 - 1968. Banker, Marine Midland Trust Company, Buffalo, New York. My experience with the bank included four years' employment while in school. This included three years in the different credit departments (1961-65) and one year substituting for branch managers who were on vacation (1969).

I completed a two-year formal training program consisting of training and experience in every area of banking. For the two years before I decided to enter law school I was a senior analyst, and was ready to be named officer in the International Banking Department at the age of 24.

Education

September, 1967 - May, 1970. State University of New York School of Law, Buffalo, New York. J.D., cum laude. I served on the Buffalo Law Review, and received many awards for academic and other achievements including the faculty award for outstanding graduate, and the alumni award the previous year as the outstanding second year student.

September, 1961 - June, 1965. State University of New York at Buffalo. B.S., Finance and Accounting.

Other Experience

August - November, 1976. Wisconsin Campaign Coordinator, Carter-Mondale campaign. My responsibilities were those normally associated with running a statewide Presidential campaign, including the supervision of 54 paid employees.

August - November, 1972. Wisconsin Campaign Coordinator, McGovern-Shriver campaign. In this position, I supervised 84 employees in 42 campaign offices and had sole responsibility for a campaign budget of \$420,000. I had additional sole responsibility as State Coordinator (volunteer) and Treasurer for the entire budget of \$440,000 expended from January, 1971 to April, 1972 in Senator McGovern's primary campaign.

Presently I serve on the nine-member State of Wisconsin Board of Attorneys Professional Competence which has statutory responsibility for examining all applicants for admission to the Wisconsin bar and for setting standards for mandatory continuing legal education for Wisconsin attorneys. I previously served on the U.S. Selective Service Board of Appeals in Wisconsin, and as a Trustee of the Behavioral Law Center, and on other government and community boards and committees.

Member, Wisconsin, District of Columbia, and U.S. Supreme Court Bar, and the usual bar committees.

I have received numerous awards from community organizations such as the United Fund, etc., and was named to Outstanding Young Men of America in 1967 by the Buffalo Junior Chamber of Commerce. I also served as a delegate to the 1972 Democratic National Convention as a member of the Rules Committee.

Guest speaker at many schools, including Princeton, Marquette, University of Wisconsin, and State University of New York. I have also addressed numerous professional organizations and groups each year.

My present position has occasioned extensive travel in Europe, Latin America, Asia, and Africa. I have represented the House Banking Committee at many meetings, and served as an advisor at meetings of the International Monetary Fund, Asian Development Bank, Inter-American Development Bank, African Development Fund, and meetings with the central bank staff and the staff of the government regulatory agencies of many European countries. I am very familiar with the systems of bank regulation and supervision in many foreign countries.

LEGISLATIVE JURISDICTION OF THE COMMITTEE ON BANKING, CURRENCY AND HOUSING

The jurisdiction of the Committee on Banking, Currency and Housing is set forth in clause 1(d) of Rule X of the Rules of the House of Representatives as follows:

RULE X—ESTABLISHMENT AND JURISDICTION OF STANDING COMMITTEES

The Committees and Their Jurisdiction

1. There shall be in the House the following standing committees, each of which shall have the jurisdiction and related functions assigned to it by this clause and clauses 2, 3, and 4; and all bills, resolutions, and other matters relating to subjects within the jurisdiction of any standing committee as listed in this clause shall (in accordance with and subject to clause 5) be referred to such committees, as follows:

(d) Committee on Banking, Currency and Housing.

(1) Banks and banking, including deposit insurance and Federal monetary policy.

(2) Money and credit, including currency and the issuance of notes and redemption thereof; gold and silver, including the coinage thereof; valuation and revaluation of the dollar.

(3) Urban development.

(4) Public and private housing.

(5) Economic stabilization, defense production, renegotiation, and control of the price of commodities, rents, and services.

(6) International finance.

(7) Financial aid to commerce and industry (other than transportation).

(8) International Financial and Monetary organizations.

ENUMERATION OF SPECIFIC SUBJECTS

The committee jurisdiction as set forth in rule X is of necessity listed in general terms. An enumeration of specific subjects contained in bills referred to, or acted upon by, the committee in the past will give a better understanding of the subject matters coming within the jurisdiction of the committee. The following enumeration is not intended to be all inclusive but merely attempts to list the subjects generally. In this respect, the National Bank Act, Federal Reserve Act, Defense Production Act, Banking Acts of 1933 and 1935, National Housing Act, several sections of the Revised Statutes and other acts, all within the jurisdiction of the committee, contain a great number of provisions which are not separately enumerated. The purpose here is not to summarize the provisions of statutes emanating from the committee, nor to include the subject matter of all bills referred to the committee over the years, but only to illustrate in a more specific manner than does rule X the different subjects within the committee's jurisdiction. The enumeration follows:

Agencies and departments subject to legislative jurisdiction:

Commerce, Department of.
Council on Wage and Price Stability.
Export-Import Bank.
Federal Deposit Insurance Corporation.
Federal Home Loan Bank Board.
Federal Preparedness Agency, General Services Administration.
Federal Reserve System.
Federal Savings and Loan Insurance Corporation.

Agencies and departments—Continued

Housing and Urban Development, Department of.
National Center for Productivity and Quality of Working Life.
National Credit Union Administration.
Renegotiation Board.

Treasury, Department of the:

Bureau of the Comptroller of the Currency.
Bureau of Engraving and Printing.
Bureau of the Mint.

Banks and banking:

Bank holding companies.
Branches of national banks.
Chartering, regulation, conservation, and liquidation of national banks.
Examination of national banks, insured banks, and Federal Reserve member banks.
Federal Deposit Insurance Corporation Act.
Federal Reserve Act.
Foreign branches.
Insurance of bank deposits.
Interest rate ceilings.
Investments by national banks.
Mergers, consolidations, and conversions of insured banks.
National Bank Act.
Reserve requirements of Federal Reserve member banks.

Coins and coinage:

Commemorative coins.
Denominations, value, and weight of coins.
Metals used in coinage.
Proofs and mint sets and other special coins.
U.S. mints.

Creation of Government corporations:

Export-Import Bank.
Federal Deposit Insurance Corporation.
Federal National Mortgage Association.
Federal Savings and Loan Insurance Corporation.

Currency:

Counterfeiting.
Denominations, value, and designs.
Emergency powers of the President.
Issue and redemption.
Printing.
Verification and destruction.

Deposit insurance.

Economic stabilization and defense production measures:

Allocations and priorities.
Business loans.
Consumer affairs.
Credit controls:
Consumer and installment credit terms.
Real estate credit terms.
Defense Production Act.
Dispersal of defense plants.
Encouraging maximum employment.
Government requisition and condemnation of commodities and facilities.

Economic stabilization—Continued

- Guarantee of bank loans.
- Hoarding.
- Installation of Government-owned equipment in private plants.
- Intergovernmental emergency assistance.
- Price controls on commodities and services.
- Productivity and work life quality.
- Rationing.
- Redevelopment of economically distressed areas.
- Rent controls.
- Stockpiling of raw materials.
- Subsidy payments.
- Usury.
- Voluntary agreements regarding prices, wages, service, or credit.
- Wage controls.

Federal credit unions:

- Chartering, regulations, examination, and supervision.

Government lending:

- Defense production loans.
- Export-Import Bank loans.
- Flood and catastrophe loans.
- Loans for college housing.
- Loans for community facilities.
- Loans to state and local development companies.
- Loans to state and local governments.

Historic preservation:

- Community development block grant funds for acquisition and preservation of historic properties.
- FHA property improvement loans for financing preservation of historic structures.

Housing:

- College housing.
- Community development.
- Federal National Mortgage Association.
- FHA insurance of cooperative housing.
- FHA insurance of defense housing.
- FHA insurance of disaster housing.
- FHA insurance of housing in urban renewal areas.
- FHA insurance of military and atomic energy installation housing.
- FHA insurance of repair and improvement loans.
- FHA insurance of servicemen's housing.
- FHA insurance of single family, and multiple unit rental projects.
- FHA rent supplement program.
- For the elderly (FHA insurance and direct loans).
- HUD related research.
- Low-rent public housing.
- Model cities.
- Open-space land program.
- Rural housing.
- Urban beautification.
- Urban planning grants.

Insurance:

- Against loss caused by war or expropriation of U.S. commodities stored abroad.
- Against political and credit risks of loss arising in connection with U.S. exports.

Insurance—Continued

- Against property damage caused by floods.
- Crime insurance.
- Disaster insurance.
- Of deposits in banks.
- Of share accounts in savings and loan associations.
- Urban riot insurance.

International finance:

- African Development Fund.
- Asian Development Bank.
- Balance of payments.
- Bretton Woods Agreements Act.
- Exchange Stabilization Fund.
- Foreign investment in the U.S.
- Foreign exchange.
- Inter-American Development Bank.
- International Bank for Reconstruction and Development.
- International commodity agreements.
- International Development Association.
- International Finance Corporation.
- International Monetary Fund.

Medals, commemorative:

- Issuance and striking.

Money and credit:

- Bank reserves.
- Credit terms.
- Federal credit programs.
- Federal guarantees and issuance.
- Federal Reserve Board; Federal Reserve banks.
- Federal Reserve rediscounts, rates.
- Federal securities markets.
- General price level.
- Gold and gold standard.
- Gold payments and ownership.
- Interest rates.
- Issue of, and reserve behind, Federal Reserve notes.
- Monetary policy; coordination.
- Operation of Federal Open Market Committee.
- Support of Government bonds.
- Valuation and revaluation of the dollar.

Renegotiation Act.

Residential mortgage credit, insurance, and guarantee:

- FHA insurance programs.
- Government secondary mortgage market (FNMA, FHLB Corp., and GNMA).
- National bank real estate loans.

Savings and loan associations:

- Chartering and supervision of Federal savings and loan associations.
- Federal Home Loan Bank System.
- Federal supervision.
- Savings and loan holding companies.

Silver:

- Coinage, value and use.

2 50 PM

THE WHITE HOUSE
WASHINGTON

June 28, 1977

THE WHITE HOUSE
WASHINGTON

MEETING OF THE ATTORNEY GENERAL WITH CORETTA KING,
HORACE CARR AND REPRESENTATIVES OF THE COMMITTEE
ON APPOINTMENT OF BLACKS TO THE FEDERAL JUDICIARY
IN THE FIFTH CIRCUIT

Wednesday, June 29, 1977
2:30 PM (10 Minutes)
Roosevelt Room

Mr. President:

* You raised a question about
the Harold Murphy nomination,
and did not sign it.

Hamilton is meeting with
Judge Bell tomorrow at
2:00 to review the recommen-
dation.

Rick

From: Margaret McKenna

at the request of Coretta
it gives you the opportunity
of the Committee for
the Federal Judiciary in
will meet with the Attorney
have agreed to drop by for
the meeting.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: The Fifth Circuit is comprised of
six Southern states - Alabama, Florida, Georgia,
Louisiana, Mississippi, and Texas. We have
established two district court nominating panels.
The Fifth Eastern is chaired by DuBose Ausley,
and the Fifth Western is chaired by William Harvin.
Recommendations from the Western panel are being
studied by Justice. The Eastern panel recommen-
dations are expected soon.

We have two openings on the District Court level
in these states. In the Northern District of
Georgia (Atlanta), the two Senators set up a
commission which recommended Harold Murphy, a *

white male. This recommendation was approved by the Justice Department and is now in the White House. The second vacancy is in the Western District of Louisiana. No commission was created by the Senators in that area, but the two Senators forwarded three names, all of whom are white males and are now under consideration at the Justice Department.

The Judges bill in Congress, which is still a subject of negotiation between the House and Senate, would create a number of new judgeships in these six states. While it is not definite, it appears that there would be approximately 34 new positions created: Alabama (3), Florida (9), Georgia (6), Louisiana (6), Texas (10), and Mississippi (0).

B. Participants: (see attached list.)

C. Press Plan: Press photo opportunity. Meeting to be announced.

III. TALKING POINTS

1. I am in favor of merit selection appointments to the Federal judiciary. We have established nominating commissions to select circuit court judges and have encouraged Senators to do the same for the selection of District Court judges.
2. By Executive Order I have urged that the circuit court nominating panels give serious consideration to minorities and women.
3. The judges bill under consideration in the Congress should provide approximately 34 new Federal district judgeships in the Fifth Circuit and an opportunity to nominate qualified women and minorities.

PARTICIPANTS:

The Attorney General

Staff: Margaret McKenna, Bunny Mitchell

Joe L. Reed - Alabama
Alvin Holmes - Alabama

Charles Cherry - Florida
Ms. Gwendolyn Cherry - Florida

Sen. Horace E. Tate - Georgia
Mrs. Coretta Scott King - Georgia
Martin Luther King Sr. - Georgia

Henry F. Braden IV - Louisiana
Alphonse Jackson, Jr. - Louisiana

Dr. Emmett C. Burns - Mississippi
Dr. Aaron Henry - Mississippi

Mrs. Eddie Bernice Johnson - Texas
Howard J. Middleton - Texas

THE WHITE HOUSE
WASHINGTON

ACTION	FYI		
		MONDALE	ENROLLED BILL
		COSTANZA	AGENCY REPORT
		EIZENSTAT	CAB DECISION
	<input checked="" type="checkbox"/>	JORDAN	EXECUTIVE ORDER
		LIPSHUTZ	Comments due to
		MOORE	Carp/Huron within
		POWELL	48 hours; due to
		WATSON	Staff Secretary
			next day

	FOR STAFFING
	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON		KRAFT
	BOURNE		LANCE
	BRZEZINSKI		LINDER
	BUTLER		MITCHELL
	CARP		POSTON
	H. CARTER		PRESS
	CLOUGH		B. RAINWATER
	FALLOWS		SCHLESINGER
	FIRST LADY		SCHNEIDERS
	GAMMILL		SCHULTZE
	HARDEN		SIEGEL
	HOYT		SMITH
	HUTCHESON		STRAUSS
	JAGODA		WELLS
<input checked="" type="checkbox"/>	KING		VOORDE

THE PRESIDENT HAS ~~SENT~~.

THE WHITE HOUSE
WASHINGTON

June 28, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: ~~HAMILTON~~ JORDAN

SUBJECT: LYMAN KIRKPATRICK

Admiral Turner is now ready to proceed with processing the necessary papers on Lyman Kirkpatrick, subject to your approval of his appointment to the post of Deputy Director of Central Intelligence. I recommend your approval.

APPROVE _____ ✓

DISAPPROVE _____

J.C.

Electrostatic Copy Made
for Preservation Purposes

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

**Electrostatic Copy Made
for Preservation Purposes**

June 29, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M.*

The following is for your 2:30 meeting with Secretary Bergland.

You told Senator Melcher that Bergland will get in touch with him about wheat.

You might ask Bob how he manages his operation, organizationally. For your information, Bob is probably the smartest, most open Secretary of Agriculture in anyone's memory. His people are intensely loyal to him and it is my understanding that he operates the Department by committee system with Assistant Secretaries all having an equal vote. With him being such a nice guy he sometimes refuses to take decisive action on policy. Traditionally, the Secretary has acted as Chairman of the Board and Majority Stock Holder with his vote being the one that counts; the Under Secretary acting as Executive Vice President and Chief Operating Officer kicking asses in his day to day operations.

As you know, John White came in very late and has had some difficulty in achieving responsiveness from some people who traditionally would be subordinate to him. John is intensely loyal to Bergland, ran the Department while Bergland was gone for three weeks. Bob trusted him so much that he never even called to see how things were going. Quite frankly we made more progress with Agriculture appointments during those three weeks than during the previous months.

I think the question "How is your department operating?" might be enough to nudge him toward giving John a little more day-to-day authority.

THE WHITE HOUSE
WASHINGTON

*original to
FIM*

ACTION
FYI

<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input checked="" type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HOYT
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LANCE
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE

THE WHITE HOUSE
WASHINGTON

June 29, 1977

Frank Moore -

The attached letter was written
by the President and is forwarded
to you for delivery.

Rick Hutcheson

Letter to Senator Jackson
re: Paper by Malcolm Mackintosh

THE WHITE HOUSE
WASHINGTON

6-29-77

To Scoop Jackson

The paper by Malcolm
Mackintosh was very
helpful (& encouraging).

Thank you

Jimmy

REORGANIZATION STATEMENT
JUNE 29, 1977

I

THE PRESIDENT HAS SEEN.

OVER THE LAST TWO YEARS, THERE
HAS BEEN NO THEME I HAVE EMPHASIZED
MORE OFTEN THAN THE NEED TO REORGANIZE
THE FEDERAL GOVERNMENT. THE AMERICAN
PEOPLE OVERWHELMINGLY SUPPORT THE IDEA
THAT REORGANIZATION IS DESPERATELY
NEEDED -- AND THEY DO NOT UNDERESTIMATE
THE DIFFICULTY.

I HAVE BEEN ENCOURAGED BY THE
PROGRESS THE ADMINISTRATION AND THE

CONGRESS HAVE

CONGRESS HAVE MADE, WORKING TOGETHER,
IN THE LAST FIVE MONTHS -- ESPECIALLY
THE LEGISLATION [~~I SIGNED ON APRIL 6,~~]
WHICH WILL ^{Now} PERMIT ME TO SUBMIT
REORGANIZATION PLANS TO THE CONGRESS
OVER THE NEXT THREE YEARS.

ALL OF US [~~WHO CARE ABOUT~~
~~REORGANIZATION~~] KNOW THAT THE TASK
WILL BE A LONG ONE. IT HAS TAKEN
THESE PROBLEMS A LONG TIME TO
DEVELOP, AND WE MUST BE PATIENT IN
TAKING THE MANY STEPS -- LARGE AND
SMALL -- THAT WILL LEAD TO A MORE
EFFECTIVE, EFFICIENT GOVERNMENT.

~~WE HAVE ALREADY BEGUN SEVERAL REORGANIZATION EFFORTS, [INCLUDING A MAJOR EFFORT ALREADY COMPLETED WITHIN H.E.W. WE WILL ANNOUNCE MORE IN THE WEEKS AND MONTHS AHEAD.]~~

TODAY I AM PLEASED TO ANNOUNCE THE BEGINNING OF FOUR NEW REORGANIZATION STUDIES. [WHICH WILL HELP BRING ORDER, SIMPLICITY, AND EFFICIENCY TO MAJOR PARTS OF OUR GOVERNMENT.]

THE FOUR AREAS WE WILL STUDY ARE:

-- LAW ENFORCEMENT;

LOCAL AND COMMUNITY

-- LOCAL AND COMMUNITY ECONOMIC
DEVELOPMENT;

-- HUMAN SERVICES; AND

-- ADMINISTRATIVE SERVICES.

TOGETHER, THESE AREAS ACCOUNT
FOR \$60 BILLION OF FEDERAL SPENDING
EACH YEAR. ~~[OUR PRELIMINARY STUDIES~~
~~INDICATE THAT WE CAN MAKE BETTER USE~~
~~OF THE TAXPAYERS' MONEY AND THE TALENTS~~
~~OF OUR PUBLIC EMPLOYEES IF WE ORGANIZE~~
~~THESE SERVICES MORE SENSIBLY.]~~

OUR PRELIMINARY REVIEW INDICATES
THAT AT LEAST 41 SEPARATE AGENCIES ARE

INVOLVED IN POLICE AND INVESTIGATIVE
ACTIVITIES; 12 SEPARATE AGENCIES ARE
CONDUCTING PERSONNEL BACKGROUND
INVESTIGATIONS; AND 36 SEPARATE
AGENCIES HAVE GUARD OR SECURITY
FORCES -- FOR A TOTAL COST PER YEAR
OF ABOUT \$2.5 BILLION.

IN THE DISTRICT OF COLUMBIA AREA
ALONE THERE ARE 23 DIFFERENT FEDERAL
POLICE FORCES.

A DIFFERENT STUDY SHOWS THAT

A WELFARE MOTHER WITH TWO
CHILDREN MAY HAVE TO DEAL WITH 11
DIFFERENT AGENCIES TO GET THE
SERVICES SHE NEEDS. IF AN ELDERLY

PERSON LIVES WITH

PERSON LIVES WITH HER, THERE ARE
SEVERAL ADDITIONAL AGENCIES ^{WHO SERVE} THE
FAMILY. ~~MUST DEAL WITH.~~

IN ECONOMIC DEVELOPMENT

WE NOW HAVE MORE THAN 100
PROGRAMS, IN 10 DIFFERENT AGENCIES,
ALL WORKING TO PROMOTE BUSINESS IN
LOCAL AREAS -- BUT DOING SO IN A
WASTEFUL, UNCOORDINATED WAY.

THERE ARE 46 FEDERAL SEWER
PROGRAMS.

NO ONE -- EITHER IN OR OUT OF
GOVERNMENT -- BENEFITS FROM THIS
KIND OF CONFUSION. ALL OF US WILL

PROFIT FROM A MORE SENSIBLE, EFFICIENT ORGANIZATION.

THESE STUDIES WILL TAKE FROM FIVE TO NINE MONTHS. THEIR SUCCESS WILL DEPEND ON HOW CLOSELY WE CAN INVOLVE THE MEMBERS OF CONGRESS, OFFICIALS OF STATE AND LOCAL GOVERNMENTS, AND PRIVATE CITIZENS FROM EVERY PART OF THE COUNTRY.

I BELIEVE IT IS ESPECIALLY IMPORTANT TO GET THE ADVICE OF CONGRESSMEN AND SENATORS ABOUT WAYS OUR FEDERAL PROGRAMS GO WRONG.

AS LEGISLATORS,

AS LEGISLATORS, THEY SPEND A GOOD
PART OF EACH DAY HELPING PEOPLE CUT
THROUGH GOVERNMENT RED TAPE, AND
THEY KNOW FIRST-HAND HOW THE
GOVERNMENT LOOKS FROM THE RECEIVING
END.

T.V. ↓

IN 1974 WHEN
ON THE DAY, I ANNOUNCED MY
CAMPAIGN FOR THIS OFFICE, I PLEDGED
TO UNDERTAKE THIS MAJOR TASK. AT
THAT TIME I SAID:

'' THIS IS NO JOB FOR
THE FAINTHEARTED. IT WILL
BE MET WITH VIOLENT OPPOSITION

FROM THOSE WHO NOW ENJOY A
SPECIAL PRIVILEGE, THOSE
WHO PREFER TO WORK IN THE
DARK, OR THOSE WHOSE PRIVATE
FIEFDOMS ARE THREATENED."

(1952-)

IT IS STILL NO JOB FOR THE FAINT
AT HEART, ^{BUT} ~~AND~~ I ~~STILL~~ INTEND TO HONOR
T.V. ↑ THAT PLEDGE.

I LOOK FORWARD TO THE COOPERATION
OF EVERYONE INVOLVED -- THE CONGRESS,
FEDERAL EMPLOYEES, AND THE AMERICAN
PEOPLE -- TO MOVE TOWARD THE GOAL
WE ALL SHARE.

DEREGULATION STATEMENT
JUNE 29, 1977

1

Mr. Pres.
SUGGEST you ADD ~~TO~~ AT
THE END OF YOUR REDEG. COMMENTS.
Jul

I AM PARTICULARLY PLEASED BY
THE ACTION THIS AFTERNOON IN THE
INTERSTATE AND FOREIGN COMMERCE
COMMITTEE. THEY ACCEPTED BY A
(22-21)
CLOSE VOTE THE ADMINISTRATION'S
PROPOSAL WHICH RETAINS CEILINGS
FOR NATURAL GAS PRICES BUT STILL
PROVIDES SUBSTANTIAL INCENTIVES
FOR INCREASED PRODUCTION.

THE FIGHT IS STILL NOT OVER
BUT I CONGRATULATE THE MEMBERS OF

THE COMMITTEE FOR THEIR COURAGE IN
THE FACE OF STRONG LOBBYING PRESSURE,
AND I HOPE THEIR POSITION WILL BE
MAINTAINED AS THE LEGISLATIVE PROCESS
CONTINUES. THEIR ACTION WAS A VICTORY
FOR AMERICAN CONSUMERS.

- Nixon papers <sup>Senate
breakfast
6/24/77</sup>
- > B-1
 - > US Marshall - H. Taylor
 - > Conservative spending
 - TRIS ban - Cons Products
 - Centralized marshalls
 - Mid East
 - > Califano - statements
 - > Public wants coop
 - > Too many foreign initiatives
 - > Berlin NH
 - > ERDA disloyalty
 - > PRC - August
 - > Seabrook
 - > Wheat farmers worried
 - > Vance/Brz → Sen Mid E
 - + Ky Disaster machinery

THE WHITE HOUSE
WASHINGTON

June 29, 1977

Frank Moore

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

Re: Call to Congressman Marc Marks

THE WHITE HOUSE
WASHINGTON

June 29, 1977

THE PRESIDENT HAS SEEN.

done

E

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *f.m.*

Congressman Marc Marks (R-Pa) is still shaky on future votes in the Commerce Committee. Congressmen John Dingell (D-Mich) and Albert Gore (D-Tenn), et al, suggest that a thank-you telephone call from you will steady his nerves and keep him voting with us. Congressman Marks is still receiving much pressure from the leadership of the Republican Party.

Marks' telephone number is 225-5406.

This call could be made as late as 10:00 a.m. tomorrow.

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

June 29, 1977

Frank Moore -

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

Re: Calls to Ralph Metcalfe
and Marty Russo

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

June 29, 1977

J

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

It is now critical that you make two telephone calls before 9:30 a.m. this morning. The House Commerce Committee will convene this morning at 9:30 and will vote on deregulation.

RALPH METCALFE -- Needs to be a-sured that we will do better in the future at consulting him on political problems.
Telephone #: 225-4372.

done

MARTY RUSSO -- He telephoned me this morning saying that he had to talk to you before 9:30 a.m. -- the call is "critical as to what I will do this morning."
Telephone #: 225-5736.

*not
done*

Electrostatic Copy Made
for Preservation Purposes

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 27, 1977

2:30 PM

Q

MEMORANDUM FOR:

The President

FROM:

Jack Watson *Jack*

SUBJECT:

Your visit with Secretary Bergland
and his top Assistants
Wednesday, June 29, 1977
2:30-2:45 p.m. Cabinet Room

Secretary Bergland requested this time for you to meet his top assistants. They are:

John C. White
Deputy Secretary

Dale E. Hathaway
Assistant Secretary for International Affairs
and Commodity Programs

M. Rupert Cutler
Assistant Secretary for Conservation, Research,
and Education

Robert H. Meyer
Assistant Secretary for Marketing Services

**Electrostatic Copy Made
for Preservation Purposes**

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 29, 1977

- C ✓

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

The following are those Members of the House who should be notified of your decision on the B-1 bomber:

Speaker

Mahon (Chairman of the Military Appropriations Subcommittee as well as full Committee)

Mel Price

Zablocki

Incidentally, defense appropriations was not finished yesterday. The House will go into session tomorrow at 10:00 a.m. and plans to be finished by 5:00 p.m. There are still 4 or 5 pending amendments that could be affected by your decision should you decide to cut back below the Carter budget of 5 planes.

If your decision goes up to the Ford budget of 8 planes, it will probably generate an amendment on the vote for final passage under general provisions prohibiting any funds being appropriated for the B-1. Mahon can handle this.

Those in the Senate who should be notified are:

Byrd

Cranston

Stennis

McClellan

Culver

Electrostatic Copy Made
for Preservation Purposes

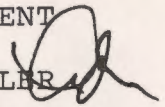
X

MEMORANDUM

THE PRESIDENT HAS SEEN.
THE WHITE HOUSE
WASHINGTON

2nd PM
C
—

MEMORANDUM TO THE PRESIDENT

FROM: LONDON BUTLER 
DATE: JUNE 28, 1977
SUBJECT: MEETING WITH OHIO AFL-CIO LEADERS
WEDNESDAY, JUNE 29, 1977, at 2:00pm

BACKGROUND

Milan Marsh, President, Ohio AFL-CIO, and Warren Smith, Secretary-Treasurer, Ohio AFL-CIO, are in Washington for the state federation's Executive Board Meeting. They will be coming by to see you for a brief photo session and handshake. The appointment is for five minutes only.

The Ohio AFL-CIO, one of labor's most effective political organizations, worked hard for you during the general election campaign. Warren Smith was particularly helpful. Both men should be thanked for their support.

While no matters of substance will be raised, you should know that Warren Smith worked effectively to bring about the passage of Ohio's new voter registration law and you may want to congratulate him on his efforts.

PARTICIPANTS

Milan Marsh, President, Ohio AFL-CIO

Warren Smith, Secretary-Treasurer, Ohio AFL-CIO

Electrostatic Copy Made
for Preservation Purposes

2³⁰ PM
Q

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 27, 1977

MEMORANDUM FOR:

The President

FROM:

Jack Watson *Jack*

SUBJECT:

Your visit with Secretary Bergland
and his top Assistants
Wednesday, June 29, 1977
2:30-2:45 p.m. Cabinet Room

Secretary Bergland requested this time for you to meet his top assistants. They are:

John C. White
Deputy Secretary

Dale E. Hathaway
Assistant Secretary for International Affairs
and Commodity Programs

M. Rupert Cutler
Assistant Secretary for Conservation, Research,
and Education

Robert H. Meyer
Assistant Secretary for Marketing Services

**Electrostatic Copy Made
for Preservation Purposes**

THE PRESIDENT HAS SEEN.


THE WHITE HOUSE

WASHINGTON

June 29, 1977

Mr. President:

Attached is the revised tax reform memorandum. I understand that Mike and Larry have talked with Joe Pechman and are generally familiar with his views. For that reason and to avoid unduly committing you to specific packages, I would like to suggest that I might just communicate your interest in Package A or B, without integration, to Mike and Larry in a telephone call.


Stu Eizenstat

Attachment

THE WHITE HOUSE

WASHINGTON

June 29, 1977

Stu Eizenstat
Hamilton Jordan
Jack Watson

Re: Tax Reform

The attached was returned in the President's outbox and is forwarded to you for your information and appropriate action.

The original memorandum was sent to Secretary Blumenthal with a copy to Assistant Secretary Woodworth.

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

June 29, 1977

MEMORANDUM FOR:

SECRETARY BLUMENTHAL
ASSISTANT SECRETARY WOODWORTH

SUBJECT:

Tax Reform

Your presentations on tax reform have been very informative and helpful. I am pleased that you are reaching out broadly to obtain a wide range of views. Since our last session, I have considered many of the issues you have raised. As you continue to develop our program, I hope you will take into account the following general principles:

1. The program should be more progressive. Specifically:
 - (a) Greater tax reductions should be provided for middle income taxpayers so that the relative share of the overall tax burden borne by the middle class is reduced. *This must be demonstrably true*
 - (b) The average taxes paid by individuals in the \$50,000 and over brackets should be maintained at about their present levels or reduced only slightly -- with the saving in revenues distributed to low and middle income taxpayers.
2. Please attempt to identify more tax preferences that we can eliminate.
3. Please make additional efforts to achieve simplicity for the average taxpayer. Consideration should be given to encouraging reduced use of itemized deductions either through a lower rate schedule for those who do not itemize or a reasonable floor on itemized deductions.

I have discussed this subject with Stu and asked him to be in touch with you - *including abandoning the idea of corporate tax integration -*

I would like everyone involved in the tax reform effort to be very cautious in making public statements about our proposals, particularly those regarding any net revenue loss or rate reductions. I am concerned that continued discussion of these items will divert the attention of the public and Congress from the difficult issue of tax reform to the easy one of tax cuts and rate reductions.

Jimmy Carter

THE WHITE HOUSE
WASHINGTON

ACTION
FYI

<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	COSTANZA
<input checked="" type="checkbox"/>	EIZENSTAT
<input checked="" type="checkbox"/>	JORDAN
<input checked="" type="checkbox"/>	LIPSHUTZ
<input checked="" type="checkbox"/>	MOORE
<input checked="" type="checkbox"/>	POWELL
<input checked="" type="checkbox"/>	WATSON

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input checked="" type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HOYT
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input checked="" type="checkbox"/>	LANCE
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE

THE WHITE HOUSE

WASHINGTON

June 29, 1977

The Vice President
Midge Costanza
Stu Eizenstat
Hamilton Jordan
Bob Lipshutz
Frank Moore
Jody Powell
Jack Watson
Z. Brzezinski
Bert Lance

Re: Budget Issues

For your information the attached letter was signed by the President and given to Bob Linder for distribution to departments and agencies.

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH, EDUCATION,
AND WELFARE
THE SECRETARY OF HOUSING AND URBAN
DEVELOPMENT
THE SECRETARY OF TRANSPORTATION
THE SECRETARY OF THE ARMY
THE ADMINISTRATOR OF THE AGENCY FOR
INTERNATIONAL DEVELOPMENT
THE DIRECTOR OF THE CENTRAL INTELLIGENCE
AGENCY
THE ADMINISTRATOR OF THE ENERGY RESEARCH
AND DEVELOPMENT ADMINISTRATION
THE ADMINISTRATOR OF THE ENVIRONMENTAL
PROTECTION AGENCY
THE ADMINISTRATOR OF THE FEDERAL ENERGY
ADMINISTRATION
THE ADMINISTRATOR OF THE NATIONAL
AERONAUTICS AND SPACE ADMINISTRATION
THE DIRECTOR OF THE NATIONAL SCIENCE
FOUNDATION
THE ADMINISTRATOR OF VETERANS' AFFAIRS

During the last few weeks, I have discussed significant budget issues with each of you and the Office of Management and Budget. Those meetings were helpful to me in understanding some of our common concerns as we prepare the 1979 budget.

At the conclusion of those meetings, I reviewed alternative spending totals for your agencies in relation to the economic outlook and my commitment to balance the budget in 1981. Based on that review, I have set 1979 budget planning ceilings for each of your agencies. Bert Lance will give you those planning ceilings in a letter that will include general budget guidance as well.

I expect you to develop your budget proposals on a zero-base approach within the planning ceilings. If you determine that you must make budget recommendations that exceed the ceilings, then those recommendations must have a zero-base ranking below any proposals included within the ceilings. Because the 1979 budget will determine our ability to achieve budget balance in 1981, I urge you to consider carefully any lower priority proposals outside the ceiling and to avoid them unless the need is quite clear.

X *Jimmy Carter*

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH, EDUCATION,
AND WELFARE
THE SECRETARY OF HOUSING AND URBAN
DEVELOPMENT
THE SECRETARY OF TRANSPORTATION
THE SECRETARY OF THE ARMY
THE ADMINISTRATOR OF THE AGENCY FOR
INTERNATIONAL DEVELOPMENT
THE DIRECTOR OF THE CENTRAL INTELLIGENCE
AGENCY
THE ADMINISTRATOR OF THE ENERGY RESEARCH
AND DEVELOPMENT ADMINISTRATION
THE ADMINISTRATOR OF THE ENVIRONMENTAL
PROTECTION AGENCY
THE ADMINISTRATOR OF THE FEDERAL ENERGY
ADMINISTRATION
THE ADMINISTRATOR OF THE NATIONAL
AERONAUTICS AND SPACE ADMINISTRATION
THE DIRECTOR OF THE NATIONAL SCIENCE
FOUNDATION
THE ADMINISTRATOR OF VETERANS' AFFAIRS

During the last few weeks, I have discussed significant budget issues with each of you and the Office of Management and Budget. Those meetings were helpful to me in understanding some of our common concerns as we prepare the 1979 budget.

At the conclusion of those meetings, I reviewed alternative spending totals for your agencies in relation to the economic outlook and my commitment to balance the budget in 1981. Based on that review, I have set 1979 budget planning ceilings for each of your agencies. Bert Lance will give you those planning ceilings in a letter that will include general budget guidance as well.

I expect you to develop your budget proposals on a zero-base approach within the planning ceilings. If you determine that you must make budget recommendations that exceed the ceilings, then those recommendations must have a zero-base ranking below any proposals included within the ceilings. Because the 1979 budget will determine our ability to achieve budget balance in 1981, I urge you to consider carefully any lower priority proposals outside the ceiling and to avoid them unless the need is quite clear.

X *Jimmy Carter*

800 AM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 28, 1977

BREAKFAST WITH SENATORS

Wednesday, June 29, 1977

8:00 a.m. (60 minutes)

Roosevelt Room

From: Frank Moore *FM.*

I. PURPOSE

To meet with both Democratic and Republican Senators.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: This is the third breakfast meeting with Senators. The group again represents a cross section of the Senate--a member of the leadership; junior and senior Senators; committee chairmen; liberals, moderates, conservatives.
- B. Participants: The President; Vice President; Senators Joseph R. Biden, Jr., John Durkin, James Eastland, Wendell Ford, Walter Huddleston, John Melcher, Robert Morgan, Jennings Randolph, Paul Sarbanes, Harrison A. Williams, Jr.; Frank Moore, Dan Tate, Bob Thomson, Bill Smith.
- C. Press Plan: White House Photo.

III. TALKING POINTS

- A. As before, no agenda was prepared in order to allow for candid, open-ended conversation between you and the Senators.
- B. Attached is a biographical sketch on each of the Senators who will be attending this breakfast. We have also indicated, where appropriate, some of their current interests.

Electrostatic Copy Made
for Preservation Purposes

JOSEPH R. BIDEN, JR. (D-Delaware); 1st term (1978); born November 20, 1942, Scranton, Pennsylvania; Catholic; three children by deceased first wife; recently remarried (Jill); J.D., Syracuse University College of Law; private practice, 1968-72; New Castle County Council, 1970-72; elected to U.S. Senate, 1972.

Chairman, Subcommittee on European Affairs (Committee on Foreign Relations); Chairman, Subcommittee on Penitentiaries and Corrections (Committee on the Judiciary); Chairman, Ad Hoc Working Group on Secrecy and Disclosure (Select Committee on Intelligence).

He is currently concerned about the busing issue.

JOHN A. DURKIN (D-New Hampshire); 1st term (1980); born March 29, 1936; Brookfield, Massachusetts; married (Pat); three children; Georgetown University Law Center, 1965; U.S. Navy, 1959-61; Assistant Attorney General, 1967-68; elected to U.S. Senate, 1975.

Senator Durkin is concerned with the appointment for the 2nd Circuit Court of Appeals. He claims that he and Senator McIntyre were told by Justice that you wanted to appoint a Puerto Rican to fill the current vacancy. This seat has traditionally been filled by someone from either New Hampshire or Rhode Island.

JAMES O. EASTLAND (D-Mississippi); 6th term (1978); born November 28, 1904, Doddsville, Mississippi; Methodist; married (Elizabeth); three children; LL.B., University of Alabama, 1927; State House of Representatives, 1928-32; appointed to U.S. Senate, 1941.

Chairman, Subcommittee on Environment, Soil Conservation and Forestry (Committee on Agriculture, Nutrition and Forestry); Chairman, Committee on the Judiciary; Chairman, Subcommittee on Immigration (Committee on the Judiciary).

Senator Eastland is interested in the issue of undocumented aliens.

WENDELL H. FORD (D-Kentucky); 1st term (1980); born September 8, 1924, Owensboro, Kentucky; Baptist; married (Jean); two children; Maryland School of Insurance, 1947; U.S. Army, 1944-46; Kentucky National Guard, 1949-62; State Senate, 1965-67; Lt. Governor, 1967-71; Governor, 1971-74; chairman, National Democratic Governors' Caucus, 1973-74; member, Carter-Mondale Steering Committee and chairman of the National Democratic Campaign Committee, 1976; Kentucky Agriculture Man of the Year, 1973; elected to U.S. Senate, 1974.

Chairman, Subcommittee on the Consumer (Committee on Commerce, Science and Transportation); Chairman, Democratic Senatorial Campaign Committee.

The Senator is interested in the strip mining legislation which is now in conference. He is particularly concerned with the loopholes for Appalachian operators (small operators exemption and allowing retention of "high walls"). He is pleased with the efforts to allocate time for 78 campaigns.

WALTER D. HUDDLESTON (D-Kentucky); 1st term (1978); born April 15, 1926, Elizabethtown, Kentucky; Methodist; married (Martha Jean); two children; B.A., University of Kentucky, 1949; U.S. Army, 1944-46; State Senate, 1965; general manager, radio station WIEL, Elizabethtown, Kentucky, 1952-72; Outstanding Young Man of Elizabethtown, 1960; elected U.S. Senate, 1972.

Chairman, Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices (Committee on Agriculture, Nutrition and Forestry); Chairman, Subcommittee on the Legislative (Committee on Appropriations); Chairman, Subcommittee on Charters and Guidelines (Select Committee on Intelligence).

The Senator is concerned with the delay in appointments.

JOHN MELCHER (D-Montana); 1st term (1982); born September 6, 1942, Sioux City, Iowa; married (Ruth); five children; U.S. Army, 1943-45, awarded Purple Heart and Combat Infantryman's Badge; Iowa State University, 1950, veterinary medicine; mayor of Forsyth, Montana, 1957-60; State Representative, 1960; State Senate, 1962-67; U.S. House of Representatives, 1969-76; elected to U.S. Senate, 1976.

Senator Melcher has been critical, at times, of the Administration's failure to respond promptly to his letters. He is interested in the strip mining legislation and has sponsored a compromise on alluvial valley floors which we supported. The Senator has also sponsored a bill to allow for oral bidding in timber sales. This legislation was necessary because the Department of Agriculture ruled that current law required sealed bidding. The Washington Post has attacked Melcher's bill as encouraging collusion among timber interests.

ROBERT C. MORGAN (D-North Carolina); 1st term (1980); born October 5, 1925; Lillington, North Carolina; Baptist; married (Katie); three children; LL.B., J.D., Wake Forest College, 1950; U.S. Navy, WW II and Korean Conflict; U.S. Air Force Reserves; State Legislature, 1955-57, 1959-61, 1963-68; Attorney General, 1969-74; elected to U.S. Senate, 1974.

Chairman, Subcommittee on Rural Housing (Committee on Banking, Housing and Urban Affairs); Chairman, Subcommittee on Special Investigations (Select Committee on Intelligence).

Senator Morgan is currently undecided on the issue of public financing and may be a key vote on a cloture for this bill. The Senator may also be a strong ally for Robert McKinney in his hearings before the Banking Committee. Morgan has an interest in a savings and loan association.

JENNINGS RANDOLPH (D-West Virginia); 3rd term (1978); born March 8, 1902, Salem, West Virginia; Baptist; married (Mary); two children; A.B., Salem College, 1924; newspaper and magazine editor; college professor; university dean; U.S. House of Representatives, 1932-46; elected to U.S. Senate, 1958.

Chairman, Committee on Environment and Public Works; Chairman, Subcommittee on Handicapped (Committee on Human Resources).

PAUL S. SARBANES (D-Maryland); 1st term (1982); born February 3, 1933, Salisbury, Maryland; Greek Orthodox; married (Christine); three children; A.B., Princeton University, 1954, magna cum laude and Phi Beta Kappa; Rhodes Scholar, Oxford, England, 1954-57; LL.B., cum laude, Harvard Law School, 1960; practiced law, 1965-70; administrative assistant to Walter W. Heller, chairman of the Council of Economic Advisers, 1962-63; Maryland House of Delegates, 1967-71; U.S. House of Representatives, 1971-76; elected to U.S. Senate, 1976.

Chairman, Subcommittee on Federal Credit Programs (Committee on Banking, Housing and Urban Affairs); Chairman, Subcommittee on Western Hemisphere Affairs (Committee on Foreign Relations).

Senator Sarbanes is very concerned about the Panama Treaty, but supportive. He has some advice on how to proceed in the Senate on this issue.

HARRISON A. WILLIAMS, JR. (Pete) (D-New Jersey); 4th term (1982); born December 10, 1919, Plainfield, New Jersey; Presbyterian; LL.B., Columbia Law School, 1948; U.S. Naval Reserve; U.S. Navy pilot; Father Raymond A. McGowan Award presented by the National Council for the Spanish-Speaking, 1963; Award of Merit, presented by the Federal Administrative Law Judges Conference, 1976; U.S. House of Representatives, 1955-57; elected to U.S. Senate, 1958.

Chairman, Subcommittee on Securities (Committee on Banking, Housing, and Urban Affairs); Chairman, Committee on Human Resources; Chairman, Subcommittee on Labor (Committee on Human Resources).

Senator Williams is very interested in minimum wages, as well as the U.S. Attorney appointment which has been widely publicized (Robert del Tufo).

Senator Williams is appearing on "Good Morning America" at 7:45 a.m. on Wednesday and will be about ten minutes late for the breakfast. He will be talking about Occupational Diseases. Hearings on now being held on this issue before the Human Resources Committee.

THE WHITE HOUSE
WASHINGTON

ACTION
FYI

	MONDALE
	COSTANZA
X	EIZENSTAT
	JORDAN
X	LIPSHUTZ
	MOORE
	POWELL
X	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LANCE
	LINDER
	MITCHELL
	POSTON
	PRESS
	B. RAINWATER
	SCHLESINGER
	SCHNEIDERS
	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE

THE WHITE HOUSE

WASHINGTON

June 29, 1977

Stu Eizenstat
Bob Lipshutz
Jack Watson

Re: TWA Inc. Docket 31016

For your information the President signed
the attached letter to Chairman Kahn
disapproving the Board's order and requesting
completion of the investigation within 90 days.

Rick Hutcheson

*original to
Bob Linder*

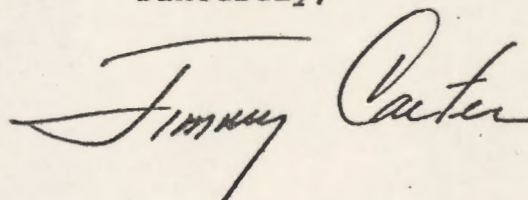
THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

I have reviewed, pursuant to section 801(b) of the Federal Aviation Act of 1958, as amended, your proposed order dated June 20, 1977, cancelling after investigation cargo advance purchase rates filed by Trans World Airlines, Inc., Docket 31016. Upon review, I have decided to overturn the Board's decision for reasons related to our foreign economic policy thereby allowing the rates at issue to be available during the pendency of the investigation. That investigation should be expedited and concluded in 90 days.

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is written in a cursive, flowing style. The first name "Jimmy" is written with a large, sweeping initial "J" that extends over the second name. The last name "Carter" is written in a more traditional cursive script.

Honorable Alfred E. Kahn
Chairman
Civil Aeronautics Board
Washington, D.C. 20428

THE WHITE HOUSE
WASHINGTON

ACTION
FYI

<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input checked="" type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HOYT
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LANCE
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE

86/29/77

THE WHITE HOUSE

WASHINGTON

June 28, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: BOB LIPSHUTZ *BJ*

SUBJECT: Executive Order Entitled
"Exemption of Arthur S. Flemming
from Mandatory Retirement"

Under the law Federal employees with 15 years of service must retire upon reaching 70 unless exempted by the President. The attached order, which was originally proposed by Secretary Califano, exempts Arthur Flemming, HEW's Commissioner on Aging, from the statutory mandatory retirement provision.

This order, which has been approved by OMB and Justice, should be signed by June 30.

We recommend that you sign the attached order.

✓ Approve

 Disapprove

J

915 a.m.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 28, 1977

MEETING WITH C.G. "MOOSE" MOREHEAD

Wednesday, June 29, 1977

9:15 a.m. (5 minutes)

Oval Office

From: Frank Moore *J.M.*

I. PURPOSE

To sign a painting Mr. Morehead did.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: Senator Wendell Ford personally requested that you sign a painting done by Mr. Morehead, who is from the Senator's home town of Owensboro. Mr. Morehead is an excellent artist and used peanut butter mixed in his colors to do this painting. He plans to auction the painting to the highest bidder on the condition that all proceeds go to the charity of the bidder's choice.

B. Participants: The President
Senator Wendell Ford
Mr. C.G. "Moose" Morehead
Frank Moore
Dan Tate

C. Press Plan: White House Photo.

III. TALKING POINTS

Routine courtesy.

NOTE: This would be a good opportunity for you to thank Senator Ford for his help on the Masa transfer which passed yesterday.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

June 29, 1977

Z. Brzezinski -

Re: Soviet Foreign Policy in the
Current Phase

The attached was returned in the President's
outbox and is forwarded to you for your
information and sending to Secretary Vance.

Rick Hutcheson

cc: Hamilton Jordan
Frank Moore

HENRY M. JACKSON
WASHINGTON

THE PRESIDENT HAS SEEN.

ROOM 137
RUSSELL SENATE OFFICE BUILDING
WASHINGTON, D.C. 20510

United States Senate
WASHINGTON, D.C.

cc Cy
Jb19
J

June 27, 1977

The President
The White House
Washington, D.C.

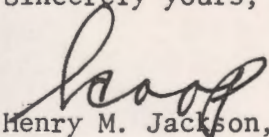
Dear Mr. President:

I want to be sure you do not miss seeing the enclosed paper on Soviet Foreign Policy in the Current Phase by Malcolm Mackintosh, chief British analyst of Soviet policy in the Cabinet Office, Whitehall, London.

Over the years I have found Malcolm Mackintosh extraordinarily perceptive in interpreting the Soviet scene. We have wished we could have him testify before our Congressional committees, but he continues to be deeply involved on the intelligence side as adviser to the British Cabinet. We are fortunate that he writes and lectures from time to time.

The enclosed text is a lecture given on May 13 at the International Institute for Strategic Studies in London. You may find of special interest his views on Brezhnev, the Soviet military leadership and SALT summarized in paragraphs 10-14.

Sincerely yours,


Henry M. Jackson, U.S.S.

Electrostatic Copy Made
for Preservation Purposes

SOVIET FOREIGN POLICY IN THE CURRENT PHASE

Introduction

1. The aim of my talk today is to have a look at the main features of Soviet foreign policy in the present phase against the background of what may be called the "constant factors" (to use a Stalinist term) of the foreign relations of the Soviet Union as a super power with a strong sense of political mission. In discussing Soviet foreign policy I include the strongly traditionalist element in Soviet thinking, the role of ideology in the minds of the present Soviet leadership, the importance to them of military power, and the needs of the Soviet economy, as well as Soviet internal policies.
2. At the same time I would like to see if there are any significant changes of emphasis in Soviet foreign policy in the present phase which we can legitimately describe as new; and, if so, what is their likely importance in Soviet thinking in a period of political, economic and military negotiations between East and West, and a wide range of Soviet activities in various parts of the world.

The "Constant Factors"

3. At the risk of some degree of over-simplification, I would like to begin by recalling what I think have been regarded in Moscow as the "constant factors" in Soviet foreign policy since the Soviet Union became a super power in the late 1960s. First priority in Soviet thinking must, I believe, go to the protection of the Soviet Homeland and its allies from political, ideological or military dangers: Although some of the responsibilities here involved are connected with foreign policy, most are in the hands of the CPSU, the KGB and the armed forces. I would put the relationship with the United States in second place, as the only other power in the world with

greater military and much greater economic strength than the Soviet Union. The Russians see their relationship with the United States as being in a very special category. Apart from the fundamental rivalries involved, it is primarily concerned with protecting and, if possible, advancing their super power status; but it is also concerned with trade and the acquisition of technology, and with some forms of crisis management alongside the United States.

4. The third "constant factor" is the Soviet confrontation with the West in Europe. Europe is the traditional area of Russian foreign policy, and since the mid-1960s, Soviet policy, against the background of preserving Soviet control over Eastern Europe and maintaining, and improving Soviet and Warsaw Pact military strength, has been directed towards formalising its position in Europe and, through negotiations, agreements and treaties, opening up or exploiting opportunities for increasing Soviet influence in Western Europe.

5. The fourth "constant factor" is the Soviet relationship with China: in many ways, Russia's bitterest enemy, with a population already over three times that of the Soviet Union, a 4,000-mile frontier partially, at least, disputed by the Chinese, and a fundamentally different interpretation of communism from that advanced by Moscow as the only true Marxist-Leninist doctrine.

6. Finally, in this brief list of "constant factors" in Soviet foreign policy I would place the efforts, on a largely opportunistic basis, of the Soviet Union to pursue active policies in areas of the world where the situation may offer the Soviet Union a chance to be present, exert influence, or at least have a say in the way in which events should develop - politically, ideologically or perhaps militarily. I believe that this potentially wide-

ranging element in Soviet foreign policy is particularly associated with the Soviet Union's growing naval strength on a global basis; but it is political, ideological and economic as well as military in character. The important point is that it is seen in Moscow as an integral part of the role of a super power. It is for this reason that I have added it to the list of "constant factors" in Soviet foreign policy today.

New Elements in Soviet Foreign Policy

7. Soviet foreign policy is, of course, frequently unpredictable, and dependent on the Soviet leaders' reaction to unexpected or unplanned crises or events overseas. What Soviet leader, for example, would have predicted the present nature of the Sino-Soviet dispute in 1950 or the present state of Soviet-Egyptian relations in 1969 or 1970? While I would like to put forward one or two new aspects of current Soviet foreign policy, I do believe that such trends are really part of the "constant factors" I have mentioned. I think we are perhaps looking at new emphases, new timing, and new senses of priority within the "constant factors", rather than any basic change in the factors or their role in Soviet policy planning.

8. My first choice of a new element in Soviet foreign policy is related to the state of the present Soviet leadership, which has been in power for nearly 13 years - although many of its members held similar posts in the upper echelons of the Soviet hierarchy under Khrushchev, or even under Stalin.

Brezhnev was President of the USSR before he became General Secretary of the CPSU in 1964. Of the 15 voting (i.e. full) members of the Politburo, 8 are 70 years of age or over, and 4 of the remainder are in their late 60s.

I do not want to exaggerate the way in which age plays a part in the selection or retention of personalities in important posts. But it is a fact that when the Soviet Prime Minister, Alexei Kosygin, was taken ill last year, a new First Deputy Premier was nominated to share some of his

responsibilities: Nikolai Tikhonov, aged 71. Brezhnev's apparent deputy as General Secretary of the CPSU, Andrei Kirilenko, is also 71. A recent law passed in the Soviet Union allows Marshals, Generals and Admirals to be excused the official retirement age of 65; and there are, of course, a number of key military figures over that age anyway, including Admiral Gorshkov, who has been C-in-C of the Navy for 21 years. Perhaps on a more trivial note, you may recall that when Kirilenko was awarded his order of Lenin for his 70th birthday, he thanked the Party and Government for helping him successfully to reach middle-age!

9. It is clear that Brezhnev and his contemporaries in this age group, Kosygin, Podgorny, Suslov, Ponomarev, and Kirilenko, as well as the Defence Minister, Ustinov (who is 68), and others, are conscious that they are in their final years as the collective leadership of the Soviet Union. No doubt their minds are, among other things, occupied with arrangements for the succession. It is very hard to speculate with any degree of conviction on what such arrangements might amount to, except to assume the existence of plans for an orderly and stable transfer of power, initially, at least, to an interim leadership of roughly the same age group, and with the same background and experience as the present Soviet rulers in Moscow. But it is my view that even more important in the minds of the present leadership is the need to complete, or set a seal on, their foreign policy achievements over the last 12 or 13 years by formalising them in treaties or agreements, by coming to acceptable terms with their rivals in the outside world on other issues and by ensuring that none of the Soviet Union's most important options in any part of the world are undermined or seriously reduced.

10. I believe that in Brezhnev's view, in particular, the main priority in this final or terminal period of his rule is the completion and formalization of his bilateral relationship with the United States. This priority is primarily concerned with the defence relationship, but its

economic, commercial and technological aspects should not be underestimated, nor should the Soviet Union's interest in involvement in crisis control with the United States be ignored in this phase. One of the most interesting pieces of evidence of Brezhnev's pre-occupation with the defence relationship with the United States in this period is, in my view, the way in which he has formalised his domination of the Soviet military establishment in the last year or two, and brought up to the highest positions in the Ministry of Defence men whose experience and expertise have been in the field of strategic weapons and advanced military technology.

11. Let me explain what I mean. The General Secretary of the CPSU has, of course, always played a determining role in military affairs in the USSR. But some two years ago, Brezhnev, then a wartime Lieutenant-General (Political), promoted himself to be a 4-star Army-General. In late 1975, Brezhnev's chairmanship of the Soviet Union's highest defence committee, the Defence Council, was announced in Moscow; and, just over a year ago, on the death of his old wartime colleague, Marshal Grechko, the Minister of Defence, Brezhnev chose Dmitri Ustinov, a civilian armaments expert for over 30 years to succeed him: most of Ustinov's recent work has been in the field of strategic weapons design and production, and his expertise makes him a most appropriate Minister of Defence in the crucial period of the current strategic arms limitation talks with the United States. Moreover it is not by chance (as the Russians say) that according to press reports at the time, the newly-appointed Chief of the Soviet General Staff, Nikolai Ogarkov, was the senior Soviet military delegate to the SALT I talks from 1969 to 1972. Brezhnev, as you know, also promoted himself Marshal of the Soviet Union, and has given this rank to both Ustinov and Ogarkov; so I would submit that Brezhnev has not only taken over SALT as his highest priority in foreign affairs, (although he frequently participated in the most important meetings

in the past) but has appointed a new Soviet military leadership whose experience and expertise is associated with the strategic weapons now under negotiation in the strategic arms limitation talks.

12. The new Brezhnev commitment to securing the best possible agreement with the United States on strategic weapons coincided, of course, with last year's Presidential election campaign in the United States, and the election and later inauguration of President Carter and the new Administration. As you know, one of the first major missions of the new Secretary of State, Mr. Vance, was to visit Moscow and present the Russians with a package of SALT II proposals, which the Americans hoped would lead to Soviet counter-proposals and a useful dialogue leading to a SALT II treaty. The Russians, however, rejected the package without offering counter-proposals; and the Secretary of State left Moscow with only an agreement to discuss SALT again in Geneva this month. According to many reports, the American package was rejected out of hand and in an atmosphere of anger and irritation on the Soviet side.

13. The details of the SALT negotiations and of the Secretary of State's visit to Moscow are beyond the scope of a general talk on Soviet foreign policy. All I would like to add to what has been widely discussed in the West is that I believe that the Russians did a lot of homework on the new Administration's thinking before the Secretary of State's visit, and got it wrong. They came to the conclusion that President Carter simply wanted to update the November 1974 Vladivostok Accord by about 10 or 15 per cent; that whatever other concessions it made, the Soviet Union would be able to retain and benefit from its existing force levels of very large strategic missiles, such as the SS-18, which were brand new in 1974; and that the United States would be ready to abandon the MX project, the B-1 bomber and limit the numbers of air-launched cruise missiles. In fact, the Americans offered a detailed package containing, in the Soviet view, none of these concessions; in

addition, it was too complex for the Russians to absorb quickly; the time-limit for agreeing to use it as a basis for negotiation was too short; among the proposals they did understand was that the main Soviet reduction was to be made in their force of very large land-based missiles. So the Russians rejected the whole proposal; and, as a purely personal comment on their reasons for doing so in anger, I believe that the Soviet leadership felt that they had been "misled", partly at least by their own advisers on American policy. I personally do not think it was due to President Carter's statements on human rights. I think their conclusions on the new Administration's views on SALT led them to expect the Secretary of State to bring a very different set of proposals to Moscow to the one he actually offered as a basis for discussion.

14. The rejection by Brezhnev and his colleagues of the Secretary of State's proposals does not, in my view, reduce the importance of a SALT II agreement with the United States in their eyes in this their final period of office. And I expect that in one forum or another the Russians will try to secure terms which they can accept, perhaps in a series of separate and more limited sessions, such as that which began this week in Geneva, until a complete treaty can be drafted. I believe that this is the most important issue for the Russians in the present phase of their foreign and defence policy, and takes priority over the other elements in the Soviet Union's "constant factors."

15. Second among these "constant factors" remains, I believe, the confrontation with the West in Europe. I mentioned earlier that the basis of Soviet policy in Europe is the retention of their political control over Eastern Europe and the continuing improvement of their military power on the Continent. Since they assumed the role of a super power in the late 1960s the Russians have tried to create machinery in European relations designed to give them what they have long believed they deserve - and have been deprived of by history: real influence over the whole of the European peninsula. This was the tenor of their original

agenda for the CSCE; and although they gave up their suggestion for an All-European Commission through which they might have tried to achieve this influence over Western Europe during the CSCE negotiations, I think they may return to it at some future stage in the continuing process of East-West negotiations in Europe.

16. I believe that the Soviet leaders consider that, with one exception, the Final Act of the CSCE, signed in Helsinki in 1975, satisfied many of their initial aims in Europe. This is especially true of the item on the frontiers and status of European countries, which, among other things, formalised the division of Germany: a basic goal of Soviet post-war policies. The exception is Basket 3, on human contacts and the exchange of information. The Russians never really wanted this Basket in the CSCE, but feared that if it was rejected, the West might withdraw from the whole conference. In any case, they believed that they and their East European allies could quickly stifle any "wrongful exploitation" of Basket 3's terms at home, and try to discourage Western use of the item in pursuit of their interests.

17. As we have seen, however, in the Soviet Union, in Czechoslovakia, East Germany and other East European countries, small groups or individuals have pinned their criticism of their regimes on Basket 3, and Western public opinion has taken up their cause with interest, and in some cases, calls for governmental action. The Soviet Union has been thrown off balance and is on the defensive; not so much on human rights and dissent as such, but the way in which dissenters have linked their views to Basket 3. I believe that the Russians have by no means recovered their balance on the human rights issue; they are not sure, for example, how much influence the issue will have in the future on inter-governmental talks. It is true that they and their allies, in dealing with dissenters, have resorted to expulsion, intimidation and even arrest, but the process is erratic and unpredictable, and it is

hard to guess how the Russians will try to solve the problem with minimum damage to their foreign policy goals, especially in Europe.

18. The other new problem for the Soviet Union in the present phase of their foreign policy is related to the appearance of "Eurocommunism" in a number of West European countries, for example, in Italy, France and Spain. The Soviet Union and the CPSU have, of course, long supported and welcomed the growth of some of the larger communist parties in Western Europe. There are, however, signs that the Russians are not entirely happy about the critical attitudes towards the Soviet Union of some of their leaders, or the rejection of "proletarian internationalism", the Soviet code-word for obedience to Soviet dictates. East European commentators, in particular, have criticised the very name "Eurocommunism", for which the Yugoslavs, incidentally, are full of praise. And here again I believe that the Russians have yet to make up their minds. On the one hand, it could be argued that even the most "Eurocommunist" leader has given support to the main "constant factors" in Soviet foreign policy, including that towards the Third World; and if they came to power, they might turn their countries into loyal and obedient pro-Soviet client states. If not, perhaps recalcitrant leaders could be purged by the Russians like so many communists in Eastern Europe after the war. On the other hand, they could achieve power by Western democratic electoral processes and then proceed to develop communist regimes which would, like Yugoslavia, consistently reject obedience to the Soviet Union. It is, of course, possible that the Russians already know enough about the "Eurocommunist" Parties to have decided what line to take towards them in the future. But some of the contradictory comments in the Soviet and Eastern European press do suggest that "Eurocommunism" is a new, and still unsolved, problem for the present Soviet leadership; particularly as it relates to current foreign policy.

19. So much, then, for Soviet attitudes to the United States and Europe.

When looking at the next priority in the list of "constant factors", China, it is hard to see any major new element in Soviet policy-making today. After the death of Mao Tse-tung in September 1976 there was a period of about 6 months when the Soviet Union cut down their criticism of China, and even sent the leader of their border negotiating team, Ilichev, back to Peking. But since March this year the Russians appear to have decided that there is no likelihood of improved relations with Chairman Hua and his colleagues in Peking. The emphasis in Moscow, therefore, is on consolidation of their military strength in the Far East, and a return to a fairly tough attitude to Chinese policies. There is, however, some element of "wait-and-see" in their attitude to China, which may be related to Soviet hopes that if an internal struggle for power in the Chinese Party should develop, they ought not to rule out completely in their planning some lessening of anti-Soviet attitudes among a new Chinese leadership.

20. It is at this point that we return to what is at once the most unpredictable, and in many cases the most dramatic and intriguing of the "constant factors" in Soviet foreign policy: the pursuit of Soviet influence in other parts of the world through political, economic, ideological and military means.

21. Time does not permit me to go into detail on any specific area in which the Soviet Union is active in the present phase of its foreign policy. But I would like to mention some of the issues and factors which probably motivate the present Soviet leaders when making decisions on this kind of policy. First, as I have already mentioned, is their conviction that they have a right, as a great nation, as a super power, and as the purveyor of the Soviet political and ideological version of communism, to be present in any part of the world in which they choose to involve themselves. Second, this area of activity is the least vital to the Soviet Union's basic needs, and therefore their actions must not endanger Soviet security or affect too

adversely their other "constant factors"; though they may well miscalculate or make mistakes here. In the third place, exploitation of opportunities to advance their influence in the Third World under these conditions should not be regarded in the West as inconsistent with [detente] with the West, as they see it, or with that part of their bilateral relationship with the United States related to crisis control: such as that practised, partially at least, after the Middle East war of October 1973. And fourthly, if the Russians can persuade or enlist the support of another communist state - such as Cuba in Angola, and perhaps in other African countries today - to do the hard work for them, that is a highly acceptable principle consistent with the successful pursuit of this "constant factor" in their foreign policy.

22. I believe that, in Soviet thinking, the status of this aspect of Soviet foreign policy is that of a "bonus" rather than a central part of Soviet planning in this field. The Soviet Union may use political, ideological, economic or military means to achieve their goals; and the contemporary scene shows that they are particularly active in East and Southern Africa (for example, Somalia, Ethiopia and Mozambique) - on a very opportunistic basis, but with prospects for further progress after their success in Angola. They are also active in the Indian Ocean; and in the Middle East, including North Africa, although their fortunes have fluctuated there in recent years. Certainly the Russians regard the Middle East as an area from which they will not withdraw their presence or their influence; but it is also an area where they must have learnt some hard and unpromising lessons: that even the most generous political, military and economic aid does not necessarily buy the kind of political influence which the Russians want.

23. I must admit that in my brief review of this "constant factor" in Soviet foreign policy I have treated many interesting and important areas of activity rather superficially. But this, I hope, may serve to underline

my basic belief that the present elderly leaders of the Soviet Union recognise the need to round off their long period of service to Soviet power by achieving what they see as their main goals in foreign policy. Whatever they can achieve in the Third World, especially through their global naval power, and in areas such as Africa, where the West may have difficult choices to make, they will pursue their aims with vigour, based on opportunism. But such actions will, in the present phase, always take second place to preserving their super power status and to advancing their interests in the areas which really matter; the security of the Homeland; the strategic balance with the United States; the advancement of their position in Europe; and the ultimate confrontation - with China.

THE WHITE HOUSE
WASHINGTON

June 29, 1977

Frank Moore -

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

Re: Meeting with Members of
Congress on Agricultural Exports

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

*done
J*

June 29, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE

F.M.

There will be six or seven Members of Congress meeting today with Secretary Bergland and the Vice President in the Roosevelt Room to discuss agricultural exports from 2:00 p.m. to 2:30 p.m.

You have a 5-minute appointment at 2:00 p.m. I would like to have you step into the Roosevelt Room and say hello if possible. If it is okay, Tim Kraft can let me know, and I can step out of the room to get you.

**Electrostatic Copy Made
for Preservation Purposes**